

# Schedule CIR

## Consolidated Income Reconciliation

This schedule replaces Schedule E-3, Combined Group Income Summary, which was filed with 2006 tax returns.

Schedule CIR, Consolidated Income Reconciliation, reconciles the net income of corporations filing in Massachusetts that are part of a U.S. consolidated return with the consolidated net income reported to the IRS.

Taxpayers must file this schedule if their income is included in a U.S. consolidated return. For corporations that are filing as members of a Massachusetts combined group, only one schedule CIR must be filed. It must be filed by the principal reporting corporation.

Taxpayers must list each corporation included in the U.S. consolidated return and its separate company income. A single entry is also required for the total change to group income from all consolidation adjustments made in reaching the U.S. consolidated return total.

An additional single entry is also required for the total change to group income from eliminations made in preparing the U.S. consolidated return. Use multiple sheets if necessary (numbering the pages) and enter totals for columns d and j only on the final sheet.

The total of the amounts in column d must match the total income as shown on the U.S. consolidated return of income before the NOL deduction or any special deductions (from U.S. Form 1120, line 28 or equivalent).

### Instructions by Column

#### Column a

Enter the legal name of the entity.

#### Column b

Enter the Federal Identification number.

#### Column c

Enter the two-digit numeric code that identifies the type of entity using the following codes:

**01:** U.S. domestic corporation

**02:** U.S. domestic limited liability company

**03:** U.S. domestic partnership

**04:** Other domestic entity

**11:** Foreign (non-U.S.) entity included in the U.S. consolidated return

**98:** U.S. consolidation adjustments

**99:** U.S. eliminations from consolidation

#### Column d

Enter the current year separate company income before any net operating loss deduction or special deductions (from U.S. Form 1120, line 28 or the equivalent).

#### Column e

Enter "Y" if a Massachusetts tax return is being filed by this entity.

Enter "N" if a Massachusetts tax return is not being filed by this entity.

#### Column f

Enter the three-digit numeric code that identifies the type of Massachusetts tax return being filed:

**003:** Form 3F, Corporate Trust Return

**007:** Form 3, Partnership Return

**350:** Form 355SC, Domestic or Foreign Security Corporation Return

**352:** Form 355C, Massachusetts Combined Return

**374:** Form 63-29A, Ocean Marine Profits Tax Return

**375:** Form 63FI, Financial Institution Excise Tax Return

**385:** Form PS-1, Public Service Corporation Franchise Tax Return

**386:** Form 63-20P, Premium Excise Return for Insurance Companies

**387:** Form 63-23P, Premium Excise return for Life Insurance Companies

**397:** Form 355, Massachusetts Business or Manufacturing Corporation Excise Return

**997:** Other

**000:** No Massachusetts return is being filed for this tax year.

### **Column g**

Enter the current year Massachusetts net income before apportionment, whether or not the corporation actually apportions its income (from Schedule E-CG, line 21 or the appropriate line from the schedule corresponding to the form actually filed).

Corporations filing as Mutual Fund Service Corporations, enter the total net income including both net income from mutual fund sales and net income from other activities.

Security corporations filing form 355SC, enter Massachusetts gross income from Form 355SC, line 4, computation of excise.

Corporations filing in Massachusetts but not taxable in this state on their net income, including insurance companies taxed only on premiums, enter zero ("0"). Corporations not filing in Massachusetts, enter zero.

### **Column h**

Enter the Massachusetts apportionment percentage (from Schedule E-CG, line 22 or appropriate line from the schedule corresponding to the type of Massachusetts tax return actually filed).

Corporations filing as Mutual Fund Service Corporations enter the weighted average apportionment percentage as calculated for determining the non-income measure of excise (from Schedule B, line 13; see Regulation 830 CMR 63.38.7(3)(b)).

Corporations taxable on their income in Massachusetts but not apportioning their income, enter 1.000000.

Corporations not taxed on their net income in Massachusetts, including insurance companies taxed only on premiums, enter zero.

### **Column i**

Enter the total Massachusetts income not subject to apportionment to non-domiciliary states and included in the Massachusetts return (from Schedule E-CG, line 24 or appropriate form actually filed).

Corporations not taxed on their net income in Massachusetts, enter zero.

### **Column j**

Corporations filing in Massachusetts as part of a combined group only enter the total Massachusetts taxable income (from Schedule E-CG, line 26). All other corporations enter zero.

The total of the entries in column j, if greater than zero, must match the total income for the combined group as shown on the return of the principal reporting corporation, Computation of Excise, line 3.